



**Implementing reforms to the leasehold system in England**  
**Consultation from the Ministry of Housing, Communities & Local Government**  
**Response by the Council for Licensed Conveyancers**

*November 2018*

1. The Council for Licensed Conveyancers (CLC) is supportive of the proposed reforms to the leasehold system in order to make it fairer and more transparent.
2. The CLC acknowledges that leasehold can be useful for managing multiple-ownership properties such as a block of flats but that some freeholders of houses without shared facilities may be exploiting leaseholders through unjustified charges and onerous ground rent terms.
3. For this reason we are supportive of the ban on the unjustified use of leasehold for new houses in order to protect the consumer and encourage home ownership. This may also encourage the increased use of commonhold ownership.
4. The ban must be appropriately monitored and enforced to ensure no additional burdens are placed upon conveyancers in preventing the unjustified use of leasehold for new houses.
5. The redress scheme should be simplified to help consumers when things go wrong. Any redress scheme must be simple and easy to access by individuals. A single tribunal to deal with all leasehold issues would be very welcome.
6. We do not believe there to be any reasons why ground rents on newly created leases should not be capped as a general rule at a maximum of £10 per annum.
7. Implementing a deadline for managing agents and freeholders to provide leasehold information could give buyers and sellers greater confidence and certainty in the process however to a large extent it is dependent on the resources of the managing agents and freeholders. Ideally this information would be available as the property begins to be marketed.
8. The CLC does not have a view on what should constitute a maximum fees for the services and information provided by managing agents and freeholder to buyers and sellers.

**About the Council for Licensed Conveyancers**

9. The CLC was established by the Administration of Justice Act 1985 and is an Approved Regulator under the Legal Services Act 2007, subject to the oversight regulation of the Legal Services Board.
10. It licenses and regulates licensed conveyancers and practices in England and Wales in the provision of reserved legal activities, currently conveyancing and probate services, and other non-reserved legal activities, including will writing. It is also a Licensing Authority authorised to license and regulate Alternative Business Structures (ABS). It has no representative function having always been an independent regulator.
11. The CLC's role is to safeguard the public interest and consumers by regulating providers to deliver high quality and accessible legal services.
12. The CLC welcomes the opportunity to respond to this consultation.